

News Release - January 18, 2006

Independent Study Forecasts Traffic and Revenue Counts for Triangle Parkway Feasibility as Toll Road Project Depends on Construction Costs

RALEIGH - The N.C. Turnpike Authority today received preliminary results of a financial feasibility study that examined the potential of developing an extension of NC 147 in Durham and Wake counties as one of the state's first toll roads. Known as the Triangle Parkway, the proposed four-mile highway would stretch from Interstate 40 in Durham County south to the intersection with Interstate 540 that is currently under construction, or to McCrimmon Parkway in Morrisville.

The interim financial feasibility report indicated that the Triangle Parkway would likely carry between 16,000 and 16,400 vehicles per day if opened as a toll road in 2010. Estimates are that one out of every two cars would opt to pay a toll to drive on a less congested road. The study indicated traffic would nearly triple in two decades to between 53,000 and 59,000 cars daily choosing to take the toll road instead of a free alternate route.

"While the preliminary numbers we heard today suggest that there could be significant demand for congestion relief," said David Joyner, executive director of the Turnpike Authority, "we won't know whether the project is financially feasible until we have a better idea of the project's cost."

Wilbur Smith Associates conducted the traffic and revenue study; results of the final study are due within the next several weeks.

The study explored three different scenarios for the roadway with one of the options extending the road as far south as McCrimmon Parkway. For each of the scenarios, it was assumed that the Triangle Parkway would open in 2010 after a 12 to 24 month construction period with proposed toll collection sites using electronic and cash tolling options on NC 147 just south of I-40, at Hopson Road and Davis Drive.

Using a suggested \$1 toll when the road opens, the study estimates total revenues of \$5.1 million in the first year. Deducting operating expenses, the road would be expected to generate \$3.6 million the first year of operation, growing to \$28.2 million by 2030.

Given the potential traffic and revenue numbers, the study outlined bonding capacity range between \$67million to \$101 million. Unlike traditional state-built roads, bonds would be sold to finance a significant portion of building the toll road. The remaining costs would be covered through other sources.

"Once we have updated cost estimates, we'll have a clearer idea of how much could be funded through the sale of bonds and what the remaining costs will be," Joyner said.

The NCTA is working with the general engineering consultant to develop an accurate estimate of the project development costs. Updated cost estimates will be developed as the project makes its way through the design process.

The N.C. Turnpike Authority is authorized to plan, develop, operate and maintain up to nine toll roads in the state. Currently, six projects are being considered for development as toll facilities; traffic and revenue studies are under way for each of the projects with preliminary results expected this spring. Enabling legislation that created the NCTA prohibits the authority from tolling existing roads* and requires that every toll facility have a free alternate route.

*In July 2006, Senate Bill 1381 was amended to allow the tolling of a segment of I-540 under construction as of July 1, 2006, located in Wake and Durham counties and extending from I-40 southwest to NC-55, with the approval of the local Metropolitan Planning Organization.